

Changes for Strategic Investment Process Compliance Manual: 2nd Edition

Title of manual changed from *Strategic Investment Process Award Implementation Manual* to *Strategic Investment Process Compliance Manual*.

NOTE: Actual changes in policy are identified below in bold font. Other changes to the manual reflect clarifications of existing policy and reformatting of text.

Chapter 1 Text: Policy Requirements

- 1H- Edited section to provide more detail on CDBG public hearing requirements. This information was previously located in Chapter 1 Exhibit C instead of within the actual text of the manual. No changes in policy.
- 1L- Added new section entitled Eligibility for Owner Occupied Rehabilitation/ Definition of Ownership.
- 1M- Added new section entitled Eligibility for Homebuyer Activities / Definition of Ownership.
- 1N- Added new section on CDBG-D duplication of benefits requirements. This information was previously released in RED Notice 12-08.

Chapter 1 Exhibits: Policy Requirements

- Exhibit C- Edited form. The actual policy on public hearings was removed from the Exhibit and input into the text of the manual in Section 1H as described above.
- Exhibit E- Added new form for CDBG-D Duplication of Benefits Affidavit (OOR)
- Exhibit F- Added new form for CDBG-D Duplication of Benefits Affidavit (Multifamily)

Chapter 4 Text: Uniform Relocation Act & Section 104

- Reorganized chapter to flow in a more logical way and to eliminate duplication of information between sections. No changes in policy.
- Throughout chapter clarified that the HUD-1041, HUD-1042, and HUD-1044 URA booklets are required to be given along with displacement notices and clarified which booklets are required under which circumstances.

Chapter 4 Exhibits: Uniform Relocation Act & Section 104

- Existing Exhibit S (HUD Booklet 1042-CPD) renamed Exhibit T
- Existing Exhibit T (HUD Booklet 1044-CPD) renamed Exhibit U
- New Exhibit S added (HUD Booklet 1041-CPD)
- New Exhibit V added (HUD Booklet 1043-CPD)

Chapter 5 Text: Civil Rights

- **5(D)(2)- Policy change: Updated section on Affirmative Fair Housing Marketing Plans to also apply to CDBG recipients and to make the HUD Form 935.2A a mandatory form for the AFHMP.**
- 5E- Added the following under the list of Civil Rights related regulations
 - HOME Investment Partnerships Program Final Rule, 24 CFR Part 92.351
 - Section 104(b) of Title I of the Housing and Community Development Act of 1974
 - Executive Order 13166 Improving Access to Services for Persons with Limited English Proficiency
 - Equal Access to Housing HUD Programs Regardless of Sexual Orientation or Gender Identity
- 5J- Added new section entitled Meaningful Access for Persons with Limited English Proficiency

Chapter 5 Exhibits: Civil Rights

- Removed Exhibit B based on policy change in part 5(D)(2) noted above and the fact that this was already covered under Award Agreements making the separate document unnecessary.
- Renumbered all other Exhibits
- Updated Former Exhibit C (Now Exhibit B) to reflect the most current version of HUD Form 935.2A (2011 revision instead of 2010 revision)

Chapter 8 Text: Income Verification

- 8(C)- List of income exclusions updated to reflect the new list released by HUD on July 24, 2012 in Federal Register Vol. 77, No. 142, Page 43349.

Chapter 9 Text: Labor Standards

- **9(C)(7)- Policy on the wage decision 10 day prior to bid opening re-verification requirement changed. Re-verification of the wage decision is now required the day prior to bid opening.**

Chapter 9 Exhibits: Labor Standards

- Exhibit D formerly named “10 Day Wage Decision Update Verification” now renamed “Wage Decision Update Verification” (see Chapter 9 text changes above).

Chapter 11 Exhibits: Environmental Review

- Entire Chapter 11 Exhibit Folder reposted to include most current resources.

Chapter 12 Exhibits: Funds Management

- The documents entitled “CDBG Funds Management Text” and “CDBG-D Funds Management Text” were revised under the section on Individual Site-Match Summary Form as follows:

- 10. Donated Cash - List the value of any cash contributions made by the State, other governmental units, private entities, or individuals ~~(except an owner or contractor).~~

Chapter 14 Text: Construction Standards & Physical Inspections

- **Added new policy under Section B for OOR Inspections**
- **Added new policy under Section B for \$100 fee assessed if IHCD must return for a re-inspection**
- **Removed Section C : Requirements for Energy Audits**

Chapter 14 Exhibits: Construction Standards & Physical Inspections

- **Added new Exhibit D: OOR Priority List**

Chapter 15 Text: Lien and Restrictive Covenants & Affordability Periods

- 15B- Under homebuyer resale and recapture sections added information on recipient's responsibility to ensure that the HOME-assisted property remains the buyer's primary residence throughout the affordability period.
- 15B & 15C- Clarified that the prorated recapture charts in the manual do not apply to rental projects.

Chapter 16 Text: Program Monitoring & Record Retention

- 16D- Provided more information on A-133 audits including sections on approved auditors and sanctions

Chapter 16 Exhibits: Program Monitoring & Record Retention

- Updated Exhibit A: Monitoring Tool

List of Exhibits by Chapter

- Updated list to include new exhibits and reflect updated exhibit names where applicable as described above